is Rs. 64,000/- per metric tonne. the price of the imported metal varies from day-to-day depending upon the London Metal Exchange prices. Current L.M.E. prices are of the order ded down from 3 to 32 per cent.

Credit deposit ratio of Bihar

6008. SHRI RAJNI RANJAN SAHU: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Credit Deposit ratio of Bihar has slided dow from 38 to 32percent.

(b) if so, the reasons therefor;

(c) what is the current deposit of Commercial Banks during past year and what is the total advance made by them?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) Reserve Bank of India has reported that C.D. Ratio of Scheduled Commercial Banks in Bihar has come down from 38.8 per cent in March, 1993 to 33.5 per cent as at the December, 1994.

(b) The main reasons for the decline in C.D. Ratio in Bihar are:—

(i) High rate of growth in bank deposits;

(ii(Lack of infrastructural facilities;

(iii) lack of projects of high value;

(iv) unfavourable recovery climate;

(v) banks' anxiety for reducing their non-performing assets;

(c) Deposits and advances of all scheduled commercial banks in Bihar as on 31.12.1994 were Rs. 14077.79 lakhs and Rs. 4716.18 lakhs respectively.

Rise in inflation

6009. SHRIMATI ANANDIBEN JETHABHAI PATEL: Will the Minister of FINANCE be pleased to state:

(a) why inflation rate shot-up again recently and crossed 10 point;

(b) whether Government have taken any action to curb inflation; and

(c) whether it is a fact that due to more deficit financing inflation has gone up?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) and (b) The renewal of inflationary pressures in last fiscal year is ascribed to the large expansion in the monetary variables, besides the short term supply imbalances due to produntion short-falls in sugar, cotton, jute and groundnut in 1994-95. In recent weeks a distinot decleration has brought down the inflation rate to 8.6 per cent (provisional) as on 29.4.95. The Government remains vigilant about the need to arrest the rate in prices and a number of steps have been taken to ensure that inflationary pressures are contained. Some of the steps taken were:

(i) Release of foodgrains from public stocks through open market sale by Food Corporation of India.

(ii) Placing import of sugar on OGL at zero duty.

(iii) Ensuring sugar availability for PDS by importing at zero duty.

(iv) Allowing import of palmolein oil under OGL during 1994-95.

(v) Importing 1.07 lakh tonnes of palmolein oil for supply to consumer through PDS in 1994-95.

(vi) With effect from March, 1995 allowing import of major edible oils under OGL at reduced duty of 30 per cent.

(vii) Allowing cotton import under OGL at zero duty.

(viii) Placing a cap on Central Government's borrowings from the RBI through the issue of ad-hoc Treasury Bills and containing monetary growth through a series of measrues including raising of CRR and sale of Government securities by the RBI.

(ix) Reducing excise and customs duties in 1995-96 budget in a manner designed to reduce inflation.

(c) The 1994-95 expansion in money supply was propelled more by increase in foreign exchange reserves than by monetization of the fiscal deficit.

Budgetary indiscipline

6010. SHRIMATI ANANDIBEN JETHABHAI PATEL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the economic reforms implemented by Government have failed due to budgetary indicipline;

(b) whether Government have taken any action to check budgetary indiscipline; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKAR MURTHY): (a) to (c) Growth of unbridled and uncontrolled expenditure is not possible in our system. Expenditure by Ministries Departments has necessarily to be confined within the limit of the expenditure sanctioned through the Appropriation Act. Not only the Internal. Control within the Government, but also auditorial responsibility extends to ensure that the sanctioned povision is spent on purposes for which these are intended.

Further, the economic reforms have brought significant improvements in various sectors of the economy. The growth of the economy which had fallen to less than one per cent in 1991-92 increased to 4.3 per cent in each of the next two years. Economy is estimated to grow by 5.3 per cent in 1994-95.

Effect of Economic Policy of Export and Impoat

6011. SMT. ANANDIBEN JETHABHAI PATEL: Will the Minister of FINANCE be pleased to state:

(a) what is the effect on our export and import policy after adopting new economic policy;

(b) whether it is a fact that due to a number of loopholes in our export and import policy, our export is not increasing as per expectation; and

(c) what action Government have taken to increase exports?